



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 29, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

35 March 29, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**AWARD OF A PUBLIC WORKS CONSTRUCTION CONTRACT
RESURFACING OF ROADWAY PAVEMENT
ANGELES FOREST HIGHWAY
IN THE ANGELES NATIONAL FOREST
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to find the apparent lowest bidder nonresponsive for failure to meet the requirements of self performance as provided in the contract specifications, award a public works construction contract for the Angeles Forest Highway project to the second lowest responsible and responsive bidder, and authorize the Director of Public Works or her designee to execute a contract for work in the Angeles National Forest.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find the apparent lowest bid submitted by Delmac Construction and Development, Inc., nonresponsive for failure to meet the requirements of self performance as provided in the contract specifications.
2. Award a construction contract to the second lowest responsible and responsive bidder, Granite Construction Company, in the amount of \$1,858,968 for Project ID No. RDC0015511 – Angeles Forest Highway, resurfacing of roadway pavement, in the Angeles National Forest.
3. Authorize the Director of Public Works or her designee to execute the construction contract in the form previously approved by County Counsel; and establish the effective date following receipt of approved Faithful Performance and Labor and Material bonds and insurance filed by the contractor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to obtain approval from your Board to find the lowest bidder nonresponsive and award this construction contract to the second lowest bidder and authorize the Director of Public Works (Director) her designee to execute the contract and establish the effective contract date following receipt of approved Faithful Performance and Labor and Materials bonds and insurance filed by the contractor for this project.

On January 11, 2011, Agenda Item 24, your Board approved the project, adopted the plans and specifications, called for bids to be received on February 8, 2011, and instructed the Executive Officer of the Board to advertise the project.

On February 8, 2011, bids were opened and the lowest bid was from Delmac Construction and Development, Inc. (Delmac), in the amount of \$1,790,180.89. However, Delmac's bid indicates that over 50 percent of the work will be performed by subcontractors, which violates the self-performance requirements of the contract documents. Therefore, we recommend that Delmac's bid be found nonresponsive and the contract be awarded to the second lowest bidder.

The enclosure includes the project description, the call for bids and bid opening dates, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also enclosed for this project.

The recommended construction contract is necessary to execute a Board-directed and approved Department of Public Works (Public Works) project in support of operational missions. Your Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The recommended actions will help meet these goals by providing a greenway that improves aesthetics and enriches the quality of life for residents of the community.

FISCAL IMPACT/FINANCING

This action will have no impact to the County General Fund.

The project cost will be financed with State Proposition 1B Transportation Bond funds under the Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006. Public Works has also received a Rubberized Asphalt Concrete Grant, currently estimated to be \$38,500 made available by the California Department of Resources Recycling and Recovery to be used toward the roadway pavement work. This project is included in the Fifth Supervisorial District's Road Construction Program in the Fiscal Year 2010-11 Road Fund Budget.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the requirements of the Chief Executive Officer and your Board.

The award of this contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. This contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County of Los Angeles' (County) Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works.

ENVIRONMENTAL DOCUMENTATION

On January 11, 2011, Agenda Item 24, your Board found this project categorically exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

The contract was solicited on an open-competitive basis in accordance with the provisions of the

State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on the County website for upcoming bids.

Public Works will review and approve the Faithful Performance and payment bonds filed by the contractor.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

When the project is completed, it will have a positive impact by providing improved highway facilities for the traveling public.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER
Director

GF:JTS:ss

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office
Office of Affirmative Action Compliance

AWARD OF CONTRACT
March 29, 2011

PROJECT ID NO. RDC0015511 – ANGELES FOREST HIGHWAY (in the Angeles National Forest), Supervisorial District 5

TYPE OF WORK: Resurfacing of roadway pavement and the performance of other appurtenant work.

CALL FOR BIDS DATE: January 11, 2011 (Agenda Item 24)

BID OPENING DATE: February 8, 2011

BID SUMMARY:

Low	Granite Construction Company, a corporation P.O. Box 50085 Watsonville, California 95077 (831) 724-1011	\$1,858,968.00
2	*Toro Enterprises, Inc	\$1,909,917.55
3	C.A. Rasmussen, Inc	\$1,978,895.20
4	Hardy & Harper, Inc.	\$2,066,000.00
5	Griffith Company	\$2,114,162.50
6	Sully-Miller Contracting Company	\$2,122,846.41
7	Excel Paving Company	\$2,148,049.45

*MWBE

Delmac Construction and Development, Inc., submitted a bid of \$1,790,180.89; however, their bid indicated that over 50 percent of the work will be performed by the subcontractors, which violates the self-performance requirements of the contract documents. Therefore, the bid was considered nonresponsive and rejected as provided in the contract documents.

FINANCIAL INFORMATION:

Amount of estimate	\$2,084,013.50
Amount of recommended contract	\$1,858,968.00
Amount of recommended contract below estimate	\$ 225,045.50

The amount of the recommended contract is 11 percent below the estimate.

The project cost will be financed with State Proposition 1B Transportation bond funds under the Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006. The Department of Public Works (Public Works) has also received a Rubberized Asphalt Concrete Grant, currently estimated to be \$38,500 made available by the California Department of Resources Recycling and Recovery to be used toward the roadway pavement work. This project is included in the Fifth Supervisorial District's Road Construction Program in the Fiscal Year 2010-11 Road Fund Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Granite Construction Company has no MWBE subcontractors/suppliers under this contract.

ENVIRONMENTAL IMPACT:

On January 11, 2011, Agenda Item 24, your Board found this project categorically exempt from the provisions of the California Environment Quality Act.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 60 working days. It is estimated the work will start in June 2011 and be completed in September 2011.

MAB:ss